

**EKURHULENI METROPOLITAN MUNICIPALITY
INTENTION TO INCUR LONG-TERM DEBT
INFORMATION STATEMENT**

In accordance with Section 46(3) of the Local Government: Municipal Finance Management Act (No.56 of 2003), the Ekurhuleni Metropolitan Municipality hereby makes public an information statement setting out particulars of a proposed long – term debt to be considered for approval by the Council of the Ekurhuleni Metropolitan Municipality at its meeting on 31 January 2014. The Ekurhuleni Metropolitan Municipality proposes to issue municipal bonds to wholesale investors under a Domestic Medium Term Note Programme listed on the Johannesburg Stock Exchange,(formerly The Bond Exchange of South Africa).The salient features of the debt are as follows:

Issuer of debt	Ekurhuleni Metropolitan Municipality
Amount of debt	ZAR 785 000 000
Purpose of debt	Capital expenditure on property, plant or equipment to be used for the purpose of achieving the objects of the Ekurhuleni Metropolitan Municipality
Date of issue of debt	During the period February to March 2014,depending on investor demand at time of issue
Term of debt	Not exceeding 15 years, depending on investor demand at time of issue
Repayment of debt capital	Repayable up to 2029 depending on exact date of issue and tenor of bond
Effective rate of interest	The rates of the applicable benchmarked RSA Government Bonds ruling at date of debt issue plus a bond spread determined by investor demand at time of issue
Indicative coupon rate	To not exceed of the applicable benchmarked RSA Government Bonds ruling at date of debt issue plus a bond spread of 200 basis points.
Payment of interest	Semi-annually
Debt Security	The debt is unsecured

INVITATION FOR PUBLIC COMMENTS

Ekurhuleni Metropolitan Municipality invites written comments or representations from the public, National Treasury and the Gauteng Provision Treasury in respect of the proposed debt. Comments should be directed to:

Chief Financial Officer
Ekurhuleni Metropolitan Municipality
P O Box 66
Benoni
1500

Or faxed to (011) 999 6514 or emailed to Ramasela.Magoele@ekurhuleni.gov.za

The closing date for receipt of comments or representations is **13 December 2013**.

Any person who cannot write may come during office hours to the **6th Floor, 68 Woburn Avenue, Benoni**, where assistance in transcribing that person's comments or representation will be given. Any enquiries relating to the above should be directed to **Tiny Molefe on Tel No: (011) 999 6530**

K. Ngema, City Manager, Ekurhuleni Metropolitan Municipality, 2nd Floor, Head Office Building, Corner Cross and Roses Streets, Private Bag X1069, Germiston, 1400